Income tax payees

2392. SHRI RAMA CHANDRA KHUNTIA: Will the PRIME MINISTER be pleased to state:

(a) the total number of wage earners, central services officials, professionals, business houses in the country;

(b) whether all of them are paying income tax;

(c) if not, the reasons therefor;

(d) whether Government has any strategy to bring them under the income tax net; and

(e) whether Government departments and private sectors etc. are applying different method to get rid of the income tax net?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The income tax department does not maintain the details of the total number of wage earners, central services officials, professionals, business houses in the country because it is not necessary that every wage earner, central services official, professional, business house should be having taxable income. However, the total number of returns filed with the income tax department during the financial Year 2007-08 is 273.53 lakhs.

(b) and (c) No such information is available in view of (a) above. The income of such persons is taxable and mechanisms are there to collect taxes by way of Advance tax, Tax deduction at source (TDS), Self-assessment tax and through regular assessment, in accordance with the provisions of the Income Tax Act, 1961.

(d) Mechanisms already exist in the Income Tax Act, 1961 to deal with tax evasion.

(e) No such information is available.

Guidelines on One Time Settlement

2393. SHRI T.K. RANGARAJAN: Will the PRIME MINISTER be pleased to state:

(a) what are the guidelines issued, if any, by the Reserve Bank of India (RBI) in the matter of One Time Settlement (OTS) for realizing the Non-Performing Assets; and

(b) whether the RBI has put in place any mechanism to monitor such OTS cases in order to ensure that no undue favours are extended to the borrowers in finalizing the terms of OTS?

THE MINISTER OF STATE OF THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Reserve Bank of India (RBI) has advised the broad framework for compromise or negotiated settlement of non-performing assets (NPAs) of the banks. Within this broad framework, RBI has advised the banks to frame and implement their Board approved policies for recovery of loans incorporating the underlying principles for compromise and negotiated settlement including write-off in their NPA accounts. RBI has also advised the banks

that such policies of the Banks should be simple, transparent and non-discriminatory, so as to accord equal treatment to the borrowers. Banks are not required to report all such individual cases to RBI.

Investments by Indian and foreign insurance companies

2394. DR. (SHRIMATI) NAJMA A. HEPTULLA: Will the PRIME MINISTER be pleased to state:

(a) the amount of money invested by the Indian insurance companies in social sector like building infrastructure, transport, road, medical sector, education and other welfare schemes etc.;

(b) the amount of money invested by foreign insurance companies into insurance business and the profit they have earned till now;

(c) the amount of money invested by foreign insurance companies in social sectors as has been invested by Indian insurance companies alongwith the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The Insurance Regulatory and Development Authority (IRDA) has informed that Indian Insurance Companies have invested Rs. 80,151 crore in the infrastructure sector upto 31st March 2008.

(b) to (d) A foreign insurance company cannot set up insurance operations in India on its own. They can set up operations in India only as joint ventures with Indian promoters and their stake in the venture cannot exceed 26% of the paid up capital of such joint venture insurance company.

The cumulative investment made as foreign direct investment in the equity share capital of life and non life insurance companies by the foreign joint venture partners is Rs. 3,314.88 crore as on March 31, 2008.

There being no foreign insurance companies operating in India, the question of profit earned and money invested by foreign insurance companies in social sectors in India does not arise.

Guaranteeing bank deposits by Governments

†2395. SHRI SHIVANAND TIWARI:
DR. MURLI MANOHAR JOSHI:

Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that keeping in view the severe international crisis, Governments of various countries of the world have proclaimed guarantee for the amount of the depositors deposited in banks;

(b) if so, the names of the countries where Governments have made such announcement;

†Original notice of the question was received in Hindi.